

### ***Changes to the Deferred Retirement Option Plan (DROP)***

On March 24, 2011, Governor Bentley signed into law legislation that ends new participation in the DROP Program, and changes the way interest is calculated on the benefit deposits for members who have fulfilled their obligation in DROP but have not withdrawn from service.

Any application received by the RSA by March 24, 2011, or postmarked by that date, will be accepted for DROP participation if the member is age and service eligible.

Beginning March 24, 2011, DROP participants who complete or have completed their participation in DROP and who do not withdraw from service will earn interest on their benefit deposits at the lesser of RSA's investment performance the preceding year or 4 percent.

The bill that was signed into law is listed on our Web site at [www.rsa-al.gov](http://www.rsa-al.gov). Click on the Legislation button for the Current Legislation link.

If you have any questions, contact the RSA at 877.517.0020 or 334.517.7001.

Prepared by the Communications staff of the Retirement Systems of Alabama. To have your questions answered in "Preparing for Retirement", please address them to [Michael Pegues, Communications, Retirement Systems of Alabama](#), P.O. Box 302150, Montgomery, Alabama 36130-2150. Please visit our Web site at [www.rsa-al.gov](http://www.rsa-al.gov).